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## Executive Director Resigns

**D**r. Robert Ruble, Executive Director for the Tennessee Student Assistance Corporation, will be leaving TSAC at the end of this month to pursue a job opportunity at Ohio Northern University in Ada, Ohio as the Vice President for Financial Affairs. Prior to his time at TSAC, Dr. Ruble was employed in a similar position at the University of Southern Indiana and has shared in recent days his desire to return to campus administration. The move to Ohio will not only allow Dr. Ruble to work in a college atmosphere again, it will also put him in closer proximity to his immediate family.

Dr. Ruble has been with TSAC for three years and has been instrumental in equipping the corporation with adequate leadership. Although he is saddened to leave the staff he has worked with during his time at TSAC, he is confident that the organization will continue to grow in the future.

"The success at TSAC is



certainly not due to me personally, but rather to the leadership team that has been assembled," he said. "I will leave you with a very talented group of senior staff, ready to continue and expand upon the work that has been done over the last three years."

Dr. Ruble will be greatly missed. Please join us in congratulating him on his new venture to Ohio Northern University. We certainly wish him all the best.

## Outreach Specialists Go Back to College

TSAC's Outreach staff will spend time visiting area colleges to become better acquainted with each institution's financial aid, admissions and dual enrollment personnel. Your Outreach Specialist (see schedule on page 8) will be looking to assist your campus with any summer program(s) targeting entering freshmen and returning students.

## UPCOMING EVENTS & CONFERENCES

06/18/08 - 06/20/08  
MASFAA Annual  
Conference  
Biloxi, MS

## Compliance Update

The Compliance Division at TSAC recently completed several "Quality Quest Program Reviews" (QQPR) and has more reviews scheduled in the near future. If you are a new director or have an area of your operation that you would like for us to review, a non-punitive QQPR may be very helpful to your institution. To learn more about the QQPR, log on to TSAC's website at [www.CollegePaysTN.com](http://www.CollegePaysTN.com) and click on the School and Lender tab. A member of our staff will complete the QQPR on the current year records at no cost to your institution and provide a written report that can be used as an assessment tool. The successful completion of a QQPR will result in the postponement of your next TSAC program review. To receive additional information about the QQPR, contact Karen Myers via email at [karen.myers@state.tn.us](mailto:karen.myers@state.tn.us) or by phone at (615) 253-7444.

## Final Thoughts from the Executive Director

**T**his message is what many folks call "bittersweet." It is both happy and sad, and it is my final opportunity to share some thoughts with you.

I will be leaving TSAC very soon to become Vice President for Financial Affairs at Ohio Northern University in the small college town of Ada, Ohio. You have probably never heard of ONU – I hadn't either. It is a private university in northwestern Ohio with 3,600 students. Ada has one stoplight and a population of 5,000. I will be able to walk or ride my bike to work.

The new job will move me closer to my family and will allow me to be more directly involved with

students and campus life. But I will miss all of my Tennessee friends. You have made me feel very welcome during my three-year stay, and I thank you.

These are exciting times for Tennessee higher education. Student financial aid programs are expanding, even while the State faces temporary financial challenges. More and more Tennessee students are being served, and I am proud to have been a part of the organization that – together with you – makes it possible.

After July 1, my email will be [b-ruble@onu.edu](mailto:b-ruble@onu.edu) and my phone will be (419) 296-8863. I hope that we can stay in touch. Thank you for your support and friendship.

## AED of Compliance and Legal Affairs Resigns

Tom Bain, Associate Executive Director for Compliance and Legal Affairs, left TSAC at the end of May to pursue a new direction in his career. Tom has served as the sole in-house legal counsel and manager of the financial aid compliance unit at TSAC since January 2006. His chief responsibilities have included coordinating legislative activities, preparing and processing contracts, composing new and revised agency rules, providing legal guidance for TSAC and overseeing the operations of the Compliance Department.

Tom has been an extremely dedicated member of the organization and has made many significant contributions to TSAC. We will miss Tom both professionally and personally, and wish him well in all his future endeavors.



# New Law Presents Changes to Aggregate and Annual Loan Limits

**O**n Wednesday, May 7, 2008, President Bush signed into law H.R. 5715, the "Ensuring Continued Access to Student Loans Act of 2008," which is designed to provide continued availability of access to the Federal Family Education Loan (FFEL) Program for student and parent borrowers.

The Aggregate loan limits will experience a variety of changes resulting from H.R. 5715. Effective July, 1, 2008, the changes that will take place for undergraduate students are as follows:

- Of the \$31,000 available for dependent undergraduate students, only \$23,000 can be used in subsidized loans.
- Of the \$57,500 available for independent undergraduate students, only \$23,000 can be used in subsidized loans.

Effective for loans first disbursed on or after July 1, 2008, the additional unsubsidized Stafford annual loan limits have increased for undergraduate students. However, there have been no changes recorded for the base subsidized Stafford annual loan limits. The charts below reflect the changes resulting from H.R. 5715.

## STAFFORD UNDERGRADUATE ANNUAL LOAN LIMITS FOR DEPENDENT STUDENTS

	Program of study of at least a full academic year in length	Total eligibility*
<b>FIRST-YEAR</b>		
Base eligibility (subsidized and unsubsidized)	\$3,500	\$5,500
Additional unsubsidized eligibility	\$2,000	
<b>SECOND-YEAR</b>		
Base eligibility (subsidized and unsubsidized)	\$4,500	\$6,500
Additional unsubsidized eligibility	\$2,000	
<b>THIRD, FOURTH, AND FIFTH-YEAR</b>		
Base eligibility (subsidized and unsubsidized)	\$5,500	\$7,500
Additional unsubsidized eligibility	\$2,000	

\* The subsidized portion of this amount cannot exceed the base eligibility.

## STAFFORD UNDERGRADUATE ANNUAL LOAN LIMITS FOR INDEPENDENT STUDENTS & DEPENDENT STUDENTS WHOSE PARENTS CANNOT BORROW A PLUS LOAN

	Program of study of at least a full academic year in length	Total eligibility*
<b>FIRST-YEAR</b>		
Base eligibility (subsidized and unsubsidized)	\$3,500	\$9,500
Additional unsubsidized eligibility	\$6,000	
<b>SECOND-YEAR</b>		
Base eligibility (subsidized and unsubsidized)	\$4,500	\$10,500
Additional unsubsidized eligibility	\$6,000	
<b>THIRD, FOURTH, AND FIFTH-YEAR</b>		
Base eligibility (subsidized and unsubsidized)	\$5,500	\$12,500
Additional unsubsidized eligibility	\$7,000	

\* The subsidized portion of this amount cannot exceed the base eligibility.

# Legislative Update

**T**he Tennessee General Assembly adjourned late Wednesday evening, May 23, 2008, keeping their commitment to pass lottery legislation during the current fiscal year. While nearly 60 bills were introduced this year to enhance student scholarship opportunities, those receiving positive recommendations from their respective education committees were incorporated into two lottery omnibus bills filed last year by the Senate and the House, Senate Bill 611 and House Bill 653 respectively.

Although discussions between the Senate and the House were still taking place late into the final day to resolve issues such as reduced funding, GPA requirements and the need-based Tennessee Student Assistance Award (TSAA) Program, the omnibill was passed before the closing of the legislative session, making changes to the Tennessee Education Lottery Scholarship (TELS) Program. Some of the changes to the program include:

- Changing the award eligibility from 120 hours to a student earning a baccalaureate degree or five years from date of initial enrollment. A retroactive provision will be put in place for students who lost the awards based solely on the student attempting the maximum number of hours. Students will be eligible for the provision if they have been continuously enrolled at an approved institution since the loss of the scholarship, have not received a baccalaureate degree, five years have not elapsed since first enrollment at the beginning of the 2008-2009 academic year, they meet all academic requirements and they reapply for the scholarship.
- Enrollment at a Tennessee Technology Center working towards a diploma before receiving a HOPE scholarship, General Assembly Merit Scholarship, or HOPE Access Grant shall not count under the terminating provisions listed above.
- Changing the requirement of previous enrollment by a nontraditional student from at least 24 hours to 12 attempted hours.
- Providing that the HOPE Foster Child Tuition Grant shall be the total cost of attendance (subject to appropriations) minus any gift aid, with student loans and work-study awards not being considered gift aid.
- Creating a pilot program for students who are taking an on-line course while receiving a Dual Enrollment Grant.
- Providing the TSAA Program with \$6.8 million.

The new programs that were introduced include:

- "The Helping Heroes Act of 2008" which will provide Tennessee residents who have been awarded The Iraq Campaign Medal, the Afghanistan Campaign Medal or the Global War on Terrorism Expeditionary Medal (on or after September 11, 2001), a grant for 375 students offering \$1,000 per full-time semester for a maximum of eight semesters.
- "The Tennessee Rural Act of 2008" which will provide a loan forgiveness program to 25 students in the first year of the program and 50 students in the second year. Recipients of the scholarship must be seeking a degree as a doctor of medicine, osteopathic medicine, physician assistant, dental medicine or nurse practitioner that agree to practice medicine in a health resource shortage area.

More information regarding these new programs and changes to the TELS program will be forthcoming in future TSAC Updates and on TSAC's website at [www.CollegePaysTN.com](http://www.CollegePaysTN.com).

# Bank of America Reverses Prior Position Regarding TSAC as a Guarantor

**I**n the TSAC Update last month, the loan staff published an article clarifying that schools would be permitted to use TSAC as a guarantor with Bank of America, even though borrowers may lose certain repayment benefits.

Interestingly, in the two weeks following that notice, Bank of America notified schools that they would be required to change lender ID's as well as change their processing to run through Great Lakes. The TSAC loan staff has made several phone calls to the senior members of Bank of America in order to confirm the reversal.

After several calls and discussions with schools, TSAC is recommending the following: By using the same servicer that Bank of America has used in the past, the borrower will experience the least amount of disruption. For example, many of the Bank of America loans guaranteed by TSAC have

been serviced with EdFinancial. If the borrower were to switch lenders but remain with EdFinancial as the servicer, the borrower would experience little or no service disruption. In fact, once the borrowers begin repayment, they would continue to receive a single monthly payment statement and could make a single payment for all of their loans at the servicer even if they had multiple lenders. The other option available is to change all three of the primary borrower interfaces: the lender ID, the servicer and the guarantor, which potentially has the greatest possible service disruption for the borrower.

It is recommended that you check with the servicer that has been paired with Bank of America in the past to see if that servicer has other lenders if services in order to ensure the least amount of disruption for your borrowers.

## Department of Education Issues New Late Disbursement Regulations

The Department of Education issued new regulations on November 1, 2007 that made two changes to the late disbursement regulations. The new regulations, which take effect July 1, 2008, will modify the late disbursement provisions set in 34 CFR 668.164(g) as follows:

**1) The period for making a late disbursement will be increased from 120 days to 180 days.**

Effective July 1, 2008, a school may issue a late disbursement of Title IV funds up to 180 days after the date that a student ceases to be enrolled at the school for the award year the aid was intended. Schools may also issue a late disbursement for a loan made under the FFEL Program up to 180 days after the date the student ceases to be enrolled at least half-time for the loan period. The school does not need approval from the Department to make a late disbursement within the 180-day period. All of the current requirements for making a late disbursement, as specified in 34 CFR 668.164(g) (2), Common Manual, and in Volume 4, Chapter 2 of the Federal Student Aid Handbook, continue to apply.

**2) The provision that allows schools to request approval from the Department to make late disbursements beyond the late disbursement period has been eliminated.**

Effective July 1, 2008, a school will no longer be required to request approval from the Department to make a late disbursement beyond the period specified in the regulations, regardless of the reason why the late disbursement was not made within that period. All late disbursements must be made within the 180-day late disbursement period described above.

**3) Schedule for Discontinuing "Late" Late Disbursement Approval Request Process**

Currently, schools and third party servicers follow the process outlined in Dear Colleague Letter GEN-05-13 to request approval to make a "late" late disbursement (a disbursement beyond the current 120-day late disbursement period). Schools and third party servicers may continue to follow this process through Monday, June 30, 2008.

**"Late" late disbursement approval requests received by fax through midnight (ET) on Monday, June 30, 2008 will be accepted and processed. All of the current requirements for submitting such requests continue to apply.**



# TSAC Monitors Lender Participation in FFEL Program

**T**he Federal Family Education Loan (FFEL) program has experienced a variety of changes due to individual lenders modifying their participation in the program. In order to account for these changes and better inform the financial aid community, TSAC has constructed a chart detailing the participation of each lender.

The current classification for each lender is detailed in the chart below. If you have information regarding a lender that needs to be updated, contact Bill Heath at [bill.heath@state.tn.us](mailto:bill.heath@state.tn.us) or Marea Herrington at [marea.herrington@state.tn.us](mailto:marea.herrington@state.tn.us). The updates to the chart since our last publication are shown in the chart below.

LENDER NAME	CODE	DATE	ACTION
Bank of America	ALL	06/01/08	Cease TSAC Guarantee
SunTrust	810691	06/01/08	FFEL Lending Restricted to Certain Schools
Wachovia	830005	05/20/08	FFEL Lending Restricted to Certain Schools
EdAmerica	831453	05/16/08	FFEL Lending Restricted to Certain Schools
EdAmerica	831453	05/15/08	Cease Consolidation Lending
Chase	803000	05/01/08	Cease Consolidation Lending
Chase	821087	05/01/08	Cease Consolidation Lending
Chase	834059	05/01/08	Cease Consolidation Lending
Chase	ALL	05/01/08	FFEL Lending Restricted to Certain Schools
Citibank	ALL	05/01/08	FFEL Lending Restricted to Certain Schools
The Student Loan People/KHEAA	826688	05/01/08	Suspend Lending to New Borrowers
Sallie Mae	834072	04/11/08	Cease Consolidation Lending
Bank of Lake Mills	823584	04/03/08	Cease FFEL Lending
Bank of Lake Mills	834263	04/03/08	Cease FFEL Lending
Student Loan Xpress	834011	04/03/08	Cease FFEL Lending
Student Loan Xpress	833890	04/03/08	Cease FFEL Lending
Student Loan Xpress	834160	04/03/08	Cease FFEL Lending
Capital One	805090	04/01/08	Cease FFEL Lending
Capital One	829030	04/01/08	Cease FFEL Lending
Capital One	831946	04/01/08	Cease FFEL Lending
Brazos	833770	03/01/08	Cease FFEL Lending
Edsouth	833948	02/20/08	Cease Consolidation Lending
Brazos	833962	02/15/08	Cease FFEL Lending
Security Bank of Kansas City	804657	02/15/08	Cease FFEL Lending
Nelnet	ALL	01/23/08	Cease Consolidation Lending
National Education	803143	01/09/08	Suspend FFEL Lending
National Education	824697	01/09/08	Suspend FFEL Lending
National Education	827954	01/09/08	Suspend FFEL Lending
National Education	830628	01/09/08	Suspend FFEL Lending
National Education	834378	01/09/08	Suspend FFEL Lending
Citibank	807743	01/01/08	Cease FFEL Lending
Citibank	822904	01/01/08	Cease FFEL Lending
Citibank	828154	01/01/08	Cease FFEL Lending

# Meet TSAC's Compliance Coordinator: Martin McGirt

**T**he saying goes, "If you find a job you truly enjoy, then you never have to go to work."

Martin McGirt, TSAC's Compliance Coordinator, would probably agree whole heartedly to that statement. In fact, he would probably tell you that he feels "right at home" working at TSAC, which is saying a lot coming from a man who has lived in five state capital cities across the United States.

Martin began employment with TSAC in October of 1995, and has been striving for nearly 13 years to provide for the needs of colleges across Tennessee. Prior to his time at TSAC, he worked as a high school guidance counselor, which helped him make the decision to pursue a doctorate degree in Higher Education.

Martin has received three college degrees including a Bachelor of Science degree from Davidson College as well as a Master of Science degree from North Carolina State. Additionally, he received his doctorate in Higher Education

from Florida State University.

During his tenure at TSAC, he has taken great joy in seeing an increase in young people desiring to attend college. He said his main goal while working in higher education has been to help that number grow even more.



"I enjoy working with young people and could readily see that I was significantly helping students by facilitating their attendance in college," he said.

"I feel that the mission of the Compliance Division at TSAC to work with financial aid professionals to improve the administration of student financial aid assistance is extremely important and fulfilling."



On a personal note, Martin and his wife Julia have been married for 44 years and have two children, Marty and Patrick, as well as two grandchildren. His wife is a church musician who is currently preparing a group for an international music festival in Coventry, which will take place in late June. While on the trip, Martin and his wife will have the opportunity to visit Northern England and Scotland.

Martin's hobbies include traveling, gardening, and playing bridge. He is an avid sports fan for college and professional football as well as college basketball.

Originally from North Carolina, Martin currently resides with his wife in Franklin, Tenn.

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## *Comments from Martin:*

 *I obviously enjoy working at TSAC since I am more than old enough to retire. My colleagues in the Compliance Division are very congenial and work together as a team to improve the quality of financial aid administration in Tennessee. I derive much satisfaction from being an integral member of this team.* 

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# Outreach Specialists Go Back to College (continued)

## West TN Outreach Specialist



**Felicia Orr**  
Felicia.Orr@state.tn.us

- ▶ All area TTCs
- ▶ Baptist Memorial College of Health Sciences
- ▶ Christian Brothers Univ.
- ▶ Crichton College
- ▶ LeMoyne-Owen College
- ▶ Memphis College of Art
- ▶ Rhodes College
- ▶ Southwest TN Comm. College
- ▶ Univ. of Memphis
- ▶ Univ. of TN, Memphis

## Mid-West TN Outreach Specialist



**Carol Bayer**  
Carol.Bayer@state.tn.us

- ▶ All area TTCs
- ▶ Bethel College
- ▶ Dyersburg State Comm. College
- ▶ Freed-Hardeman Univ.
- ▶ Jackson State Comm. College
- ▶ Lambuth Univ.
- ▶ Lane College
- ▶ Union Univ.
- ▶ Univ. of TN, Martin

## Middle TN Outreach Specialist



**James Snider**  
James.Snider@state.tn.us

- ▶ All area TTCs
- ▶ Aquinas College
- ▶ Art Institute of TN
- ▶ Austin Peay State Univ.
- ▶ Belmont Univ.
- ▶ Columbia State Comm. College
- ▶ Cumberland Univ.
- ▶ Fisk Univ.
- ▶ Free Will Baptist Bible College
- ▶ John A. Gupton College
- ▶ Lipscomb Univ.
- ▶ Martin Methodist College
- ▶ Middle TN State Univ.
- ▶ Motlow State Comm. College
- ▶ Nashville State Tech. Comm. College
- ▶ O'More College of Design
- ▶ TN State Univ.
- ▶ Trevecca Nazarene Univ.
- ▶ Univ. of the South
- ▶ Vanderbilt Univ.
- ▶ Volunteer State Comm. College
- ▶ Watkins Institute College of Art & Design

## Mid-East TN Outreach Specialist



**Annie Trout**  
Annie.Trout@state.tn.us

- ▶ All area TTCs
- ▶ Bryan College
- ▶ Chattanooga State Tech Comm. College
- ▶ Cleveland State Comm. College
- ▶ Lee Univ.
- ▶ Roane State Comm. College
- ▶ Southern Adventist University
- ▶ TN Tech. Univ.
- ▶ TN Wesleyan College
- ▶ Univ. of TN, Chattanooga

## East TN Outreach Specialist



**Jane Anne Fowler**  
Jane.Anne.Fowler@state.tn.us

- ▶ Carson-Newman College
- ▶ East TN State Univ.
- ▶ Johnson Bible College
- ▶ King College
- ▶ Lincoln Memorial Univ.
- ▶ Maryville College
- ▶ Milligan College
- ▶ Northeast State Tech Comm. College
- ▶ Pellissippi State Tech Comm. College
- ▶ South College
- ▶ Tusculum College
- ▶ Univ. of TN, Knoxville
- ▶ Walters State Comm. College
- ▶ All area TTCs